

Request for Council Action

Originator Information Systems	Item Microsoft software agreement
Agenda Section Consent	Date 11/16/2015

Description

The City utilizes the Microsoft suite of software products for its 800 employees. This includes Outlook e-mail, Word, Excel, PowerPoint, and the SharePoint collaboration tools. The previous six-year agreement is ending on November 30, 2015 requiring the City to enter into a new agreement.

The new agreement will allow the City to move to the Office 365 Cloud platform. This has many advantages such as licensing for multiple devices and eventually decreased costs in hardware replacement. However, concerns regarding privacy and security will need to be addressed particularly in the context of Public Safety. The City can choose to not use the 365 platform and run the applications in the current environment. The cost is slightly higher (approximately \$20,000 per year) to include the 365 option. The option needs to be added at the beginning of the contract and staff has determined that it is likely the 365 option will be used for at least a portion of employees, potentially excluding Public Safety employees as there are additional requirements for Public Safety data. Microsoft and the State of Minnesota are in the process of working through the details to ensure that 365 has the privacy and security requirements needed for Public Safety.

The cost of the agreement is \$177,726 for a total three year cost of \$533,178. The purchase will be made through State of Minnesota contract pricing. Funding is available in the Information Systems operating fund for year one. Subsequent years will be budgeted in the same fund.

Requested Action

Council is requested to approve the Microsoft software agreement in the amount of \$533,178.

Attachments: